



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

**NOTULE VAN 'N ALGEMENE RAADSVERGADERING GEHOU OM 11:00 OP DINSDAG
31 MEI 2016 IN DIE MUNISIPALE RAADSAAL TE BREDASDORP**

**MINUTES OF A GENERAL COUNCIL MEETING HELD ON TUESDAY, 31 MAY 2016 AT
11:00 IN THE MUNICIPAL COUNCIL CHAMBERS, BREDASDORP**

RAADSLEDE / COUNCILLORS

Me E Marthinus	Speaker
Mnr R G Mitchell	Uitvoerende Burgemeester
Mnr D Jantjies	Uitvoerende Onder-Burgemeester
Mnr R Mokotwana	Lid van die Uitvoerende Burgemeesterskomitee
Mnr D Burger	Raadslid
Mnr J Nieuwoudt	Raadsheer
Me E Sauls	Raadslid

AMPTENARE / OFFICIALS

Mnr D O'Neill	Munisipale Bestuurder
Mnr G M Moelich	Nms Direkteur: Korporatiewe Dienste
Mnr H Van Biljon	Direkteur: Finansiële Dienste
Mnr N Kotze	Direkteur: Siviele Ingenieursdienste
Mnr K Mrali	Direkteur: Gemeenskapsdienste
Mnr P Everson	Asst. Direkteur: Elektries
Mnr S Cooper	Bestuurder: Elektries
Mnr A Theron	Wnd Bestuurder: Stads- en Streeksbeplanning
Mnr F du Toit	Bestuurder: Boubeheer
Me T Stone	Bestuurder: Strategiese Dienste

1. **OPENING**

Die Speaker heet die teenwoordiges welkom en Raadsheer Mitchell open die vergadering met gebed.

2. **AANSOEKE OM VERLOF TOT AFWESIGHEID / APPLICATIONS FOR LEAVE**

Me P Atyhosi	Raadslid
Me Z Tonisi	Raadslid
Mnr S Ngwevu	Direkteur: Korporatiewe Dienste

12.2 **APPROVAL OF ANNUAL BUDGET: 2016/2017 FINANCIAL YEAR****PURPOSE OF REPORT**

To submit the annual budget for the 2016/17 financial year for approval by Council as prescribed in the Municipal Finance Management Act (MFMA) and in terms of guidelines received from National Treasury per MFMA circular no. 78 & 79.

In terms of the Municipal Finance Management Act (MFMA), section 24, the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

Subsequent to the tabling of the draft annual budget to Council on 17 March 2016 and in compliance with section 23 of the MFMA, the following consultation processes and meetings were held with community and identified stakeholders on the contents of the budget in respect of the 2016/17 budget year:

- | | |
|--|-----------------------|
| • Distribution of Budget Preparation Documentation | 11 December 2015 |
| • Budget Information Session | 23 December 2015 |
| • Budget Input – HOD / Managers | 22 January 2016 |
| • mSCOA Workshop / Information Session | 21 - 22 January 2016 |
| • Budget Workshop with HOD's / Managers | 8 - 12 February 2016 |
| • Budget Workshop with Councillors | 24 - 25 February 2016 |
| • Submission Draft IDP / Budget to Council | 17 March 2016 |
| • National Treasury and Provincial Treasury | 17 March 2016 |
| • Budget consultative meeting with community: | |
| ❖ Ward 1 - Napier Community Hall | 12 April 2016 |
| ❖ Ward 2 - Liefdesnessie Hall | 13 April 2016 |
| ❖ Ward 3 - Nelson Mandela Hall | 14 April 2016 |
| ❖ Ward 4 - Glaskasteel Sports Complex | 19 April 2016 |
| ❖ Ward 5 - Arniston Community Hall | 20 April 2016 |
| • Budget Assessment visit by Provincial Treasury | 14 April 2016 |

In terms of section 23(1) of the MFMA the Mayor must consider any views of -

- a) the local community; and
- b) the National Treasury, the relevant Provincial Treasury and any organs of state or municipalities which made submissions on the budget.

The inputs and comments made by the community during the budget consultation process as well as the following written inputs received have been considered by the Executive Mayor as prescribe in terms of the above-mentioned legislation:

- Bredasdorp Houseowners Association;
- Ward 1 Napier;
- Ward 4 Bredasdorp;
- Ward 5 Struisbaai / L'Agulhas;
- AE Hopley;
- E van Wyk; and
- Provincial Treasury

The Budget Steering Committee considered the budget input letters received from the above mentioned role players on Wednesday, 18 May 2016 together with the responses made on Monday, 30 May 2016 in terms of the Executive Mayor's responsibility. Recommendations made by Provincial Treasury during its assessment visit in respect of the draft 2016/17 budget have been addressed and incorporated where applicable.

National Treasury through its regular MFMA Circulars provided guidance on the content and format for municipal budget documentation in respect of the 2016/17 Medium Term Revenue and Expenditure Framework. All municipalities are required to adhere to the prescribed format with regard to the content and format of budget documentation. The required table of content as provided by National Treasury is as follows:

- **Mayoral Budget Speech:** - High-level summary of the budget that draws on executive summary and highlights key deliverables during the coming years.
- **Budget Related Resolutions:** - Draft resolutions must be included with the budget documentation tabled to full council.
- **Budget:** - The budget includes the executive summary; budget schedules – operating & capital to be approved by council; budget related charts and explanatory notes to the budget.
- **Supporting Documentation:-** Budget process overview; Alignment of budget with IDP; Budget related policies – overview and amendments; Budget assumptions; Funding the budget; Disclosure on allocations made by municipality; Disclosure of salaries, allowances and benefits; Monthly cash flows by source; Measurable performance objectives and disclosure on implementation of MFMA as well as other legislation.

The operating and capital budget for the 2016/17 financial year is attached as annexure for consideration and approval by Council." **(Bound separately)**

The Municipal Manager, in consultation with the Director: Finance, recommends as follows:

MANAGEMENT RECOMMENDATION

- (i) Council resolves that the annual budget of the municipality for the financial year 2016/17 as per Budget Related Resolutions of the budget document and indicative for the projected outer years 2017/18 and 2018/19 be approved as set out in 1.8 Annual Budget Tables in respect of the following schedules:
 - 1.1 Executive summary of revenue & expenditure – Table A1;
 - 1.2 Budgeted Financial Performance (Revenue and Expenditure by standard Classification) –Table A2;
 - 1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) A – Table A3;
 - 1.4 Budgeted Financial Performance (revenue and expenditure) – Table A4;
 - 1.5 Budgeted Capital Expenditure by vote, standard classification and funding – Table A5;
 - 1.6 Budgeted Financial Position – Table A6;
 - 1.7 Budgeted Cash Flows Table A7;
 - 1.8 Cash backed reserves/accumulated surplus reconciliation – Table A8;
 - 1.9 Asset Management – Table A9;
 - 1.10 Basic service delivery measurement table A10
 - 1.11 Council notes Part 2 - Other related Supporting Documentation completed where applicable from Table SA1 to SA37
- (ii) Council approves and adopts the draft tariffs listing for services as per Appendix A with effect 1 July 2016.
- (iii) Council approves and adopt the Draft SDBIP in respect of the 2016/17 budget year per Appendix B.

- (iv) Council notes the updated MSCOA Implementation Plan to be submitted as required in terms of National Treasury Budget Circular 79 dated 7 March 2016 attached as Appendix C.
- (v) Council notes the Service Level Standards (2016/17) to be submitted as required in terms of National Treasury Budget Circular 79 dated 7 March 2016 attached as Appendix D.
- (vi) Council notes that financial related policies have been reviewed in respect of the 2016/17 budget year and any amended policies be submitted as a separate item to this meeting.

RESOLUTION 120/2016

- (i) That the Management recommendation be accepted as a resolution of Council.
- (ii) That Council take note of the letter received from Bredasdorp Ratepayers Association as presented by Alderman Nieuwoudt.

12.3 REVIEWED AND AMENDED BUDGET-RELATED POLICIES**PURPOSE OF REPORT**

To obtain Council's approval in respect of the following reviewed and amended budget-related policies:

- Supply Chain Management Policy
- Budget and Virement Policy
- Property Rates Policy
- "Masakane" Debt Collection and Credit Control Policy

In terms of section 17(3)(e) of the MFMA any proposed amendments to budget-related policies of the municipality must accompanied the tabled budget when submitted to council for final approval each year.

Due to ongoing changes in processes, procedures, risks and legislation that impacted on the existing policies, it is suggested to amend the listed policies with an effective date of 1st July 2016 which is attached as Annexure "A" to this document.

The Municipal Manager, in consultation with the Director: Finance, recommends as follows:

MANAGEMENT RECOMMENDATION

- (i) Council consider approval of the following amended budget-related policies with the effective date 1st July 2016
 - Supply Chain Management Policy
 - Budget and Virement Policy
 - Property Rates Policy
 - "Masakane" Debt Collection and Credit Control Policy
- (ii) Council approves, subject to recommendation 1, that the above mentioned policies be thoroughly workshop with councillors and senior management as a matter of high priority.

RESOLUTION 121/2016

That the Management recommendation be accepted as a resolution of Council.